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FISCAL IMPACT STATEMENT

LS 6423

BILL NUMBER: HB 1532

NOTE PREPARED: Jan 10, 2005

BILL AMENDED:

SUBJECT: Motor Vehicle Occupant Restraint Systems.

FIRST AUTHOR: Rep. Torr

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: This bill:

- (1) prohibits a passenger motor vehicle from being stopped, inspected, or detained solely to determine compliance with the law concerning safety belt use by front seat occupants who are at least 16 years of age;
- (2) authorizes a motor vehicle to be stopped, inspected, or detained solely to determine compliance with child passenger restraint laws when there is probable cause to do so;
- (3) provides that failure to comply with the laws concerning safety belt and child restraint system use may constitute fault under the law concerning compensatory damages and comparative fault;
- (4) allows failure to comply with the laws concerning safety belt and child restraint system use to be admitted in civil actions to mitigate damages; and
- (5) repeals conflicting laws concerning stopping, inspecting, or detaining vehicles to determine compliance with safety belt laws.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary:* The total revenue loss is estimated to be \$5.55 M. This estimated revenue loss would come from both federal grant monies that the state currently receives (\$2.7 M) and from reduced infraction

judgments that are deposited in the state General Fund (\$2.85 M).

Background: With some exceptions, under current law it is a Class D infraction for a person who is a front seat occupant of a passenger motor vehicle to not have a safety belt properly fastened about the occupant's body at all times when the vehicle is in forward motion (IC 9-19-10-2 and 9-19-10-6). Also under current law, law enforcement officers may stop a car to determine if a driver is complying with this law. As proposed, it would still be a Class D infraction to drive without a seat belt, but law enforcement officers would not be permitted to pull a driver over to determine whether the front passenger occupants are wearing seat belts.

By federal standards, Indiana has a "primary seat belt law" because law enforcement agencies can stop a car if the officer reasonably suspects that an occupant is not wearing a seat belt as a primary reason. In states with secondary seat belt laws, a motorist can only be ticketed for being unbuckled if pulled over for another reason.

Federal Revenues: The state currently receives \$2.7 M in federal grant monies from the U.S. Department of Transportation.

- The state receives \$1.6 M because Indiana has a primary seat belt enforcement law. This money can be used for any activity in the in the area of occupant protection.
- The state has also received \$1.1 M for additional incentive monies because of the relatively high percentage of seat belt users. This money can be used in any area of traffic safety.

By repealing the primary seat belt law, the state would not be eligible for these grants. [Note: The federal grant figure is the amount received last fiscal year. The Department of Transportation (INDOT) has not been able to verify the amount for 2004 but maintains that the \$2.7 M remains a valid estimate.]

State Revenue: Under current law, it is a Class D infraction for a front-seat passenger to not wear a seat belt. The maximum judgement for a Class D infraction is \$25. If law enforcement agencies may no longer stop a car simply because the front-seat passengers in the car are not wearing a seat belt, it is likely that fewer citations will be written and revenue from infraction judgements will decline. The percentage of citations that occur because a law enforcement officer stopped a car simply because of the primary seat belt law is not known. However, because the number of citations issued has increased substantially since the primary seat belt law was enacted makes it likely that the majority of seat belt citations have occurred because of this law.

The primary seat belt law was passed in 1998, and a Supreme Court decision upholding the statute was issued in 1999. Assuming that the annual number of citations issued would decline to the four-year average between 1996 and 1999 from the five-year average of citations issued between 2000 and 2004, the potential revenue loss to the state General Fund from fewer infractions would be \$2.85 M.

| CY | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|--|----------|----------|---------|---------|----------|---------|---------|---------|----------|
| Citations Issued | 40,523 | 32,498 | 38,962 | 28,719 | 79,688 | 233,886 | 134,534 | 144,009 | 154,755* |
| Revenue/Year ** | \$1.01 M | \$0.81 M | \$0.97M | \$0.72M | \$1.99M | \$5.85M | \$3.36M | \$3.60M | \$3.87 M |
| Avg. Revenue | \$0.88 M | | | | \$3.73 M | | | | |
| Difference | \$2.85 M | | | | | | | | |
| * CY 2004 based on two-year average. ** Based on \$25 per citation. | | | | | | | | | |

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana State Police.

Local Agencies Affected: Local Law Enforcement Agencies.

Information Sources: Bureau of Motor Vehicles, Indiana Code; Rick Whitney, Chief Financial Officer for INDOT, 317-232-1472.

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